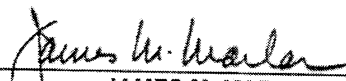


THIS ORDER IS
APPROVED.



Dated: June 26, 2008


JAMES M. MARLAR
U.S. Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:

FIRST MAGNUS FINANCIAL
CORPORATION,

Debtor.

Chapter 11

Case No. 4:07-bk-01578

ORDER APPROVING MOTION TO
APPROVE SETTLEMENT BY AND
AMONG FIRST MAGNUS FINANCIAL
CORPORATION AND THE STATE OF
CONNECTICUT

This matter comes before the Court pursuant to the *Motion to Approve Settlement By And Among First Magnus Financial Corporation And The State Of Connecticut* (the "Motion") filed by Morris C. Aaron, Liquidating Trustee of the First Magnus Liquidating Trust Dated April 30, 2008 (the "Liquidating Trustee") in the above-captioned Chapter 11 case (the "Bankruptcy

1 Case"), for entry of an order pursuant to 11 U.S.C § 105 and Rule 9019 of the Federal Rules of
2 Bankruptcy Procedure (the "Bankruptcy Rules") approving the proposed "Settlement Agreement"
3 dated March 28, 2008 by and among First Magnus Financial Corporation (the "Debtor" or "First
4 Magnus") and The State Of Connecticut [the "Settlement"] (the "SOC"), a creditor and party-in-
5 interest in the above-referenced Chapter 11 case.

6 After appropriate notice and opportunity for objection, and after appropriate certificate of
7 no objection by counsel for the Debtor, it appearing that there is no objection to the relief
8 requested; and good cause appearing therefore,

9 THE COURT HEREBY ORDERS as follows:

- 10 1. The Motion shall be, and hereby is, granted in all respects;
- 11 2. The Settlement¹ shall be, and hereby is, approved in all respects;
- 12 3. Any and all payments to the SOC per the terms of the Settlement will be paid in
13 accordance with the confirmed Plan and applicable law;
- 14 4. All applicable stays and injunctions, including the automatic stay under
15 Bankruptcy Code § 362, shall be, and hereby are, vacated and annulled to permit the SOC to take
16 any action necessary to effectuate the terms of the Settlement;
- 17 5. The provisions of Bankruptcy Rule 4001 that would otherwise stay the Approval
18 Order for ten days are waived so that this Approval Order is immediately effective and
19 enforceable upon entry;
- 20 6. The Settlement and this Approval Order shall be binding upon any successors or
21 assigns of the parties hereto, including, but not limited to, any trustee or receiver subsequently
22 appointed in this case; and

23
24
25 ¹ All capitalized terms not separately defined herein shall have the meanings set forth in the
26 Settlement.

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1 7. The Court shall retain jurisdiction to enforce each of the terms of the Settlement
2 and this Approval Order.

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4 **SIGNED AND DATED ABOVE.**
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GRANTED